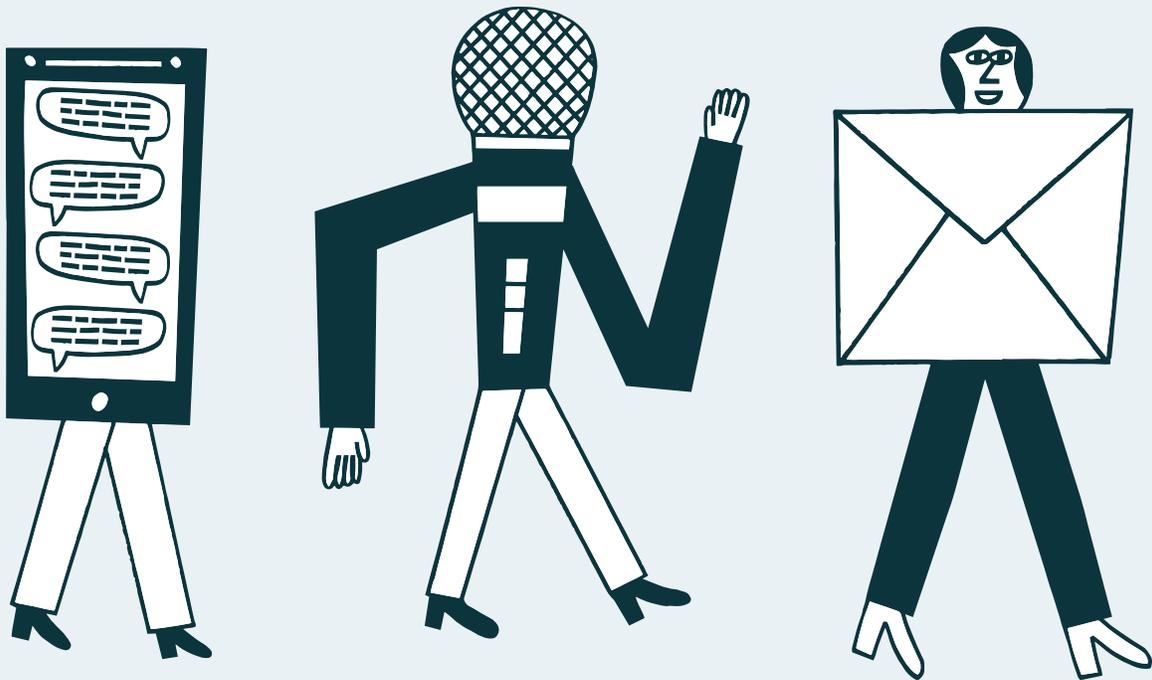




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Uncovering the TCO of CRM



Choosing the right sales platform for your business is a daunting task. Not only do you have to weigh factors like cost per user, time to implementation and general functionality, but you also must beware of dozens of potential hidden costs. While these may not be obvious at first, they grow over time, significantly impacting your total cost of ownership (TCO) and costing your business up to thousands of additional dollars per month. So what are some of the most prominent and expensive TCO drivers often overlooked by businesses today?

Did you know?

More than 50% of Salesforce users highlight “high cost of ownership over time” as the thing they dislike most about the Sales Cloud (Forrester).

Data storage

Built years before the big data era, most legacy CRMs have strict data storage limits for leads, accounts and tasks baked into their pricing plans. Unfortunately, many companies are unaware of these limits until they reach them. At that point, they have invested so much time in these solutions that they see no other choice than to cough up an extra \$1,000+ a month for additional space just to keep the sales team operating. And as their sales teams continue to grow, so does the amount of storage required—and their monthly fees.

Mobile

In an effort to avoid being left behind, many legacy sales CRMs have launched mobile applications that are included with their standard licensing costs, but are essentially read-only versions of their desktop UIs. Want full mobile functionality? That will cost you. So will offline access and the ability to sync any new data or activities to the CRM once you reconnect. Not to mention the ultimate price of the productivity and data that is lost without reps' ability to access and enter information in the field and on the go.

Sample mobile pricing breakdown: salesforce sales cloud professional for 20 users

Licensing costs @ \$75/user/month	\$1,500
Mobile edition @ \$50/user/month	\$1,000
Offline edition @ \$25/user/month	\$500
Total monthly cost for mobile CRM functionality	\$3,000

Integrations & API calls

Rather than adding functionalities like email tracking and call dialing to their platforms and upfront costs, many CRM providers call for integrations with point solutions, requiring businesses to also take on the licensing fees for these platforms. CRM vendors often limit full API access to top tier plans, and companies are charged per API call after a certain threshold. Costs skyrocket over time as teams grow and look to connect their sales tools with other business systems such as marketing automation and support platforms.

It adds up...

Here is a list of just some of the most common types of point solutions required by companies using legacy CRMs:

- Power dialer
- Push notifications
- Email tracking
- Calendar integrations
- Reporting

Let's say that these solutions are priced at an average of \$50/user/month. For a sales team of 20 users, this means another \$5,000 in licensing costs each month!

Reporting

Most CRMs do not have the appropriate infrastructure in place to store historical data. If a business would like to retain this information for analysis, it must take snapshots and pay for big data warehousing. As such, measuring data over time to identify patterns and missed opportunities within a legacy CRM is nearly impossible, resulting in Excel-like reports that only answer the most basic of yes or no questions. The ability to dig deeper requires an additional license, such as Wave for Salesforce, for which subscriptions start at \$300/user/month.

Support

While many vendors vow to acknowledge support issues within a few hours, this is much different from solving them. In fact, many license fees cover minimal support only, with additional fees of up to 25% of licensing costs for “premium” or 24/7 live support. To counteract this, vendors offer knowledge bases, training videos and live chat, but either way, businesses are faced with two expensive options: pay the premium or lose revenue during inevitable technical issues and downtimes.

Contact us

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